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## **EXECUTIVE MEMO**

TO:

**Executive Directors, DSN Boards** 

CFOs, Contract Service Providers

Community ICF Providers

FROM:

Mary Long, Interim Chief Financial Officer

DATE:

January 8, 2025

SUBJECT: Community ICF/IID Rate Effective July 1<sup>st</sup> 2023

Previously, DDSN issued ICF/IID providers a payment for services in the amount of \$331.03 per person per day. DDSN performs several administrative functions related to billing for the services rendered in these ICFs/IID. DDSN withholds 2.56% for these administrative functions which are based on FY21 Cost Reports. DDSN is also required to remit the \$8.50 per day bed fee based on S.C. Code Ann § 44-20-355. Both withholds combine to approximately 4.85% of the Medicaid rate.

Effective July 1, 2023, the rate paid for ICF/IID services was increased by DHHS to \$370.30. Using the same administrative fee calculation, the new per diem for these services will be \$352.32. Current agency contracts have been amended to reflect this new rate.

DDSN has received a retroactive payment for billed services dated from September 1, 2023 – September 30, 2024. We will be issuing a retroactive payment for the per person per day difference in the two rates. This payment will be received with your February payment.

DHHS is currently working on issuing a retroactive payment for July 1 – August 31, 2023. Once we receive this retroactive payment DDSN will finalize a reconciliation of each provider's payments; and any monies owed will be issued to the provider in a second retroactive payment for this rate increase. We anticipate the payment to be issued with March payment.

DDSN began paying the updated rate in October 2024.

If you have any questions, please contact LaKenya Craig by phone at 803.898.9679 or by email at <a href="mailto:lcraig@ddsn.sc.gov">lcraig@ddsn.sc.gov</a>